

Cash-Flow Scenario for Stretch Code: 2,672 square foot, 3-bedroom new home

Example below yields a HERS rating of 60 – stricter than the actual stretch code, which requires HERS 65 for new homes above 3,000 square feet, 70 for homes below 3,000 square feet.

HERS Index Modeled in REM/Rate	60 (energy use 40% below 2006 IECC code)
Improvement Measures (changes relative to base case)	<ul style="list-style-type: none">- Conditioned basement- Foundation Walls R10 insulation- Above grade walls R22 insulation- Window U-factor .33- Attic ceiling R38 cellulose insulation- Slope ceiling R32 cellulose insulation- Air infiltration 4 air changes/hour at 50 Pascals of pressure- Natural Gas Furnace 94 AFUE (annual fuel utilization efficiency), 65 kBtuh- Central Air Conditioner 3 ton 15 SEER- Domestic Hot Water .62 natural gas tank- Programmable thermostat- 75% Fluorescent lighting
Improvement Costs	\$ 9,000
Mortgage Interest Rate	6%
Loan Term (Years)	30
Annual Incremental Mortgage Payment	\$654
Annual Energy Costs	\$ 3,103
Annual Energy Savings from Baseline	\$1,364
Annual Cash Flow Gain	\$ 710